

**MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
Room 210 Senate Building, State Capitol Complex
February 15, 2013**

Members Present: Sen. Stephen H. Urquhart, Senate Chair
Rep. Spencer Cox, House Vice Chair
Sen. Patricia W. Jones
Sen. Howard A. Stephenson
Sen. Jerry W. Stevenson
Sen. John L. Valentine
Rep. Derek E. Brown
Rep. Jack R. Draxler
Rep. Rebecca P. Edwards
Rep. Dana L. Layton
Rep. Kay L. McIff
Rep. Maria H. Poulson
Rep. Dean Sanpei
Rep. Mark A. Wheatley

Members Absent: Rep. Keith Grover, House Chair
Sen. J. Stuart Adams
Sen. Aaron Osmond
Rep. Don L. Ipson

Staff Present: Mr. Spencer Pratt, Fiscal Manager
Ms. Angela Oh, Fiscal Analyst
Lorna Wells, Secretary

A copy of related materials and an audio recording of the meeting can be found at
<http://le.utah.gov/asp/interim/Commit.asp?Year=2013&Com=APPHEd>

A list of visitors and a copy of handouts are filed with the committee minutes.

1. **Call to Order.** Vice-Chair Cox called the meeting to order at 8:15 a.m.

2. Presentation: Utah State University, Spencer Pratt, Fiscal Analyst

Mr. Pratt explained that the Budget Brief for Utah State University was under Tab 7. USU serves as the State's land grant university, which has a slightly different mission to include providing outreach education. The budget has 14 line items. Education and General covers 66 percent of the budget. Dedicated credits comprise 41 percent of the funding mix, with 56 percent coming from state funds.. He discussed the recommendation of a one-time reduction for the pre-funded O & M for the yet to be completed Business Building. If additional money becomes available, the Analyst recommends that USU's portion of the 2020 goal would be \$3.8 million, USU's share of mission-based funding would be \$558,300. Mr. Pratt reported that retention rates are 70 percent; graduation rates at the Logan campus are 53 percent; graduation rates for regional campuses are also shown. In 2012, USU was awarded 1,300 grants worth \$168 million. He discussed the information contained on subsequent pages.

3. Pres. Stanley Albrecht, Utah State University President

Pres. Albrecht recognized the students from USU who are at the Capitol. He mentioned the history of the Morrill Land-Grant Act and how it impacts USU. He discussed the collaboration with the ATC partners in Logan and Brigham City. He indicated that they have co-locations in Tooele and Uintah Basin; as well as

fully integrated campuses in Price and Blanding. He discussed the collaboration to provide a pathway for students attending ATC's and completing 900 hours to transfer and receive 30 credits at USU.

Pres. Albrecht stated that innovation starts with face to face instruction. This core is then enhanced with virtual and on-line environments. He discussed interactive video conferencing and experimental learning. There are 375 on-line courses at USU with 4,900 students. He gave some specific examples regarding on-line learning. He discussed the expanded use of interactive video conferencing where students might be attending class in Brigham City, Uintah Basin, Tooele, and CEU while the instructor is in Logan.

Pres. Albrecht described experimental learning including MOOCs (Massive online open courses); flipped classrooms, hybrid courses, open entry/open exit courses. He gave an example of the Aggie of the Future. He discussed some of the efficiencies including the great success of expanding the summer course offerings at USU.

Co-Chair Urquhart asked for more explanation regarding this initiative. Pres. Albrecht said that they are adding incentives to a department for offering more courses for the summer, which has been very successful.

Sen. Stephenson stated that allowing faculty and departments to be empowered is stunning.

Pres. Albrecht reported that having students on-campus during the summer also adds to efficiencies in ancillary areas. They are working to expand this to the graduate level. They have developed a joint course with U of U and BYU. USU is adding emphasis to the integration with K-12. He discussed the STEM program and the future visit of Miss America who is in a graduate of the STEM program.

Pres. Albrecht discussed pathways to success with higher admission standards, greater admission weights for finishing higher level courses. There will be a math diagnostic test and a summer refresher course in modular form to help students be ready for college. He reported that Logan was voted as the best performing smaller city in the United States.

Pres. Albrecht said that USU is looking very carefully at where the employment opportunities are and offering graduate and undergraduate degrees in those areas and how this impacts the return for the state on its investment. He discussed the partnerships USU has developed with many companies. He mentioned the need for a larger graduate workforce, they would like to add 40 graduate students. Pres. Albrecht discussed the Aggie Wireless Transfer Bus and the USTAR Advanced Transportation Institute as well as the Synthetic Biomanufacturing Institute. He mentioned that the students in this program saved the life of Danny Berger, a USU athlete.

Sen. Jones said she was impressed with the new delivery system and that USU has done a tremendous job blending face-to-face instruction with on-line instruction. She mentioned that when her husband taught for USU several years ago he would leave early in the morning and take a plane to Moab to teach his class. She asked Pres. Albrecht to further explain the USTAR program.

Pres. Albrecht replied that the USTAR program has been essential at USU. They have brought in teams of researchers and many start-up companies have been created. He reported that USU is participating in some weather satellites that will be launched soon. He indicated that USU's ability to move forward is because of the USTAR program.

Rep. Draxler thanked Pres. Albrecht for the presentation. He mentioned that all campus busses run on natural gas. He asked Pres. Albrecht to mention the fundraising activities at USU.

Pres. Albrecht said that USU has just completed a large fundraising campaign. They had a goal to reach \$2 million, and in one year they reached over \$4 million. The campaign struggled a little during the economic

downturn, but since the fundraising campaign started, USU has raised \$513 million.

Sen. Stephenson asked Pres. Albrecht to comment about the flipped classroom. He mentioned that there are many courses available for free. He asked how USU gets professors to take these flipped classrooms, and utilize materials that are available.

Pres. Albrecht reported that USU is doing its own MOOC especially to assess the learning that takes place. They do partner with other agencies and universities.

Co-chair Urquhart mentioned how exciting it is to be on this Committee. He thanked USU for their support. He stressed to Committee members the importance of research graduate and PhD students. He asked that as Committee members to think about the FY 2014 budget, they consider the entire Higher Education System rather than focusing only on the institutions in their own region

Rep Edwards mentioned that the Governor's Office of Economic Development had identified six economic clusters that they are focusing on which drive the economic engine of the state.

4. Approval of Minutes.

MOTION: Rep. Brown moved to approve the minutes of the February 1, 5 and 8 meetings. The motion passed unanimously.

5. Presentation: Bridgerland Applied Technology College, Angela Oh

Ms. Oh reported that the Budget Brief was on Page 9 under Tab 15. BATC has campuses located in Logan, Brigham City and Rich County. They provided 1,097,559 total membership hours in FY 2012, 78 percent for adult students and 22 percent for secondary students. The BATC headcount was almost 1,700 for high school students and 4,900 for adults. They awarded 806 certificates for FY 2012.

6. Pres. Richard Maughan, Campus President Bridgerland Applied Technology College (BATC)

Pres. Maughan introduced Marc Suchan, the Plant Manager for Malt-O-Meal Brands, and on the board of the Utah Manufacturer's Association. Pres. Maughan stated that BATC has two campuses in Logan, a Brigham City campus, and a campus near Bear Lake. He mentioned that last year the Custom Fit program worked with 122 companies. He reported that the BATC completion rate is 78 percent; placement rate is 87 percent and licensure rate is 98 percent. He mentioned the population growth in Cache and Box Elder Counties. He discussed the partnership with Proctor and Gamble in Box Elder County.

Pres. Maughan mentioned that the FY 2014 budget request includes \$150,000 for a new materials handling composites program and \$1,161,800 for expansion of 10 programs. He discussed the partnership in 40 certificated areas with Secondary Education, CTE classes; the BATC and USU. He mentioned the new A.A.S. degrees in Business, Health, Technology, and Creative Arts. Students who complete 900 hours and a certificate at the BATC can earn 30 USU credits. Pres. Maughan mentioned some of the student successes at the BATC.

Mr. Suchan discussed the partnership the DATC and Malt-O-Meal and the importance of operator certification. He reported on the advancement potential for maintenance technicians and the success of the Custom Fit program. He stated that they had success in the manufacturing environment where operators are required to run robots that pack cereal products into boxes.

Sen. Valentine appreciated the BATC and partnership with USU. He stated that USU and Pres. Albrecht have been advocates for these partnerships rather than protecting their own turf.

Pres. Maughan mentioned that there is a great partnership, and how much he appreciated the support of Pres. Albrecht in leading this effort. He stated that several USU courses are taught at BATC facilities

Vice-Chair Cox emphasized the importance of the general education component. Students gain the necessary skills at the ATC, but by completing an Associate's Degree and beyond they have the ability to grow in roles with the companies. He applauded USU and BATC for their efforts.

7. Presentation: Uintah Basin Applied Technology College, Angela Oh, Fiscal Analyst

Ms. Oh indicated that the Budget Brief for the Uintah Basin Applied Technology College was on Page 37 and under Tab 15. She mentioned that they have a campus in Roosevelt and in Vernal and have partnerships with Duchesne, Uintah, and Daggett county school districts. She discussed some of the programs available. The Base Budget for FY 2014 was \$5.8 million with 53 budgeted FTE. Should additional funding be available, the Analyst is recommending an additional \$1 million to increase campus capacity. The UBATC had 600,000 membership hours for FY 2012; the headcount is almost 1,400 high school students and 4,800 adult students. In FY 2012, UBATC awarded 447 certificates.

8. Pres. Dave Woolstenhulme, Campus President, Uintah Basin Applied Technology College (UBATC)

Pres. Woolstenhulme introduced Jeff Duncan, with Anadarko Petroleum who serves on the UBATC Advisory Committee and the Board of Trustees at Utah State University. Pres. Woolstenhulme reported that the UBATC serves Duschene, Daggett and the Uintah Basin. He mentioned that the Vernal campus was built specifically to offer programs in the petroleum sector. He reported that they have had about a 38 percent increase in their membership hours since 2005. He discussed the success of the partnership and articulation with USU. Upon completion of 900 hours, students can apply 30 credits toward a USU Applied Associate of Science Degree. They share facilities, faculty and staff. The two biggest partnerships are in petroleum and nursing. They are hopeful to expand this to other programs. For FY 2012, the UBATC completion rate was 81 percent; the placement rate was 95percent; and their licensure rate was 100 percent.

Co-chair Urquhart mentioned that he was impressed with completion rate, and asked if it was difficult to keep students long enough for them to complete a certificate.

Pres. Woolstenhulme answered that that is a major challenge; but they are constantly working on this. He mentioned that industry is supporting this effort. They have a "no hire" until certificate program. Pres. Woolstenhulme reported that the Uintah Basin has had tremendous growth in the energy business. He mentioned that the oil and gas industry are very important to the economy in Utah. This has caused challenges for them to keep up with the training needs. Pres. Woolstenhulme stated that they have specific budget requests in diesel automotive technology and the commercial driving program.

Mr. Duncan discussed the partnership between the UBATC and the petroleum industry. He reported on some of the changes in Petroleum Technology and Energy Safety. He stated that Anadarko does have a no hire until certificate policy and they encourage employees to continue with their education. They need students with experience to progress and succeed in the company. They have students complete 220 hours in a job shadow experience in the field. Pres. Woolstenhulme then gave some student success stories.

Vice-Chair Cox stated that he has heard on many occasions that the UBATC is a tremendous example of market-driven education.

9. Presentation: Tooele ATC, Angela Oh, Fiscal Analyst

Ms. Oh reported that the Budget Brief is on Page 33 under Tab 3. The Tooele ATC opened in July 2009. She explained some of the programs that are offered and the partnerships with the city and county. The FY 2013

Base Budget is \$1.9 million which includes 18 budgeted FTE. Should additional funding be available, the Analyst would recommend \$1.5 million to increase campus capacity. Ms. Oh reported that for FY 2012 there were about 5,000 membership hours for high school students and about 82,000 membership hours for adults. The student headcount was 31 high school students and 413 adults. In FY 2012, Tooele ATC awarded 132 certificates.

10. Pres. Scott Snelson, Campus President, Tooele Applied Technology College (TATC)

Pres. Snelson introduced Mr. Tom Bingham, who is the Chair of the Board of Trustees for TATC. He introduced other guests from the Tooele community including Randy Sant, RDA Director for Tooele City.

Pres. Snelson discussed some of the programs at the TATC. Tooele City was identified as the 10th friendliest city in America. The TATC has an 81 percent completion rate, a 91 percent placement rate and a 100 percent licensure rate. Pres. Snelson discussed the student demographics at TATC. He presented some information about the partnership between Tooele city, USU and the TATC. He reported that they will be moving into their new state-of-the art facility in May 2013. He acknowledged the support for this new facility including local employers, Tooele City, USU, and the appropriation by the Legislature.

Pres. Snelson explained the shared vision with TATC, USU, TCSD, Tooele City, and Tooele County to train the workforce for the neighboring Tooele Industrial Park. He reported that USU has treated the TATC with kindness and respect and about the success of the new articulation agreement.

Pres. Snelson indicated that the TATC budget request is for \$1,563,300 which would be for six new programs and for program expansion in several areas. He discussed the fact that the closure of the Deseret Chemical Depot in 2014 will result in 1,563 displaced workers.

Mr. Sant reported that Tooele city has offered support of the TATC and the fact that education is extremely important. Tooele City donated 54 acres to the TATC. Mr. Sant said that there are 254 acres across the street to open up for economic development. He distributed a flyer regarding the budget request.

11. Presentation: UCAT Administration, Angela Oh, Fiscal Analyst

12.

13. Ms. Oh indicated that the Budget Brief is on Page 5 under Tab 15 and covers administrative costs for UCAT, the Custom Fit training needs, and equipment needs. Custom Fit and Equipment is then appropriated to each individual campus. The FY 2014 base budget is \$4.78 million and 9 budgeted FTE. Ms. Oh said that during FY 2012 the Custom Fit program provided training to 1,204 companies, 14,995 trainees with 320,471 hours.

14. UCAT President - Pres. Rob Brems

15.

16. Pres. Brems stated that he was very appreciative of USU and the ATC alliance as well as the other USHE institutions. He distributed copies of the UCAT Annual Report. There is great camaraderie between the eight UCAT campuses. He asked Committee members to review the report.

17. Issue Brief – USHE Historical Funding – Spencer Pratt, Fiscal Analyst

Mr. Pratt indicated that this Issue Brief begins on Page 53 behind Tab 3. The purpose is to give a historical view of the funding of USHE. The graphs show how the funding mix between state funding and tuition has changed. In 1985, there was a tight cluster, but the trend line has gone down and the spread has become much more pronounced. Mr. Pratt reported that Page 54 contains the same data but presented in a different view.

18. Issue Brief – USHE Historical Mission and Enrollment

Mr. Pratt explained that this Issue Brief begins on Page 55 behind Tab 3. It discusses the missions of the research institutions, teaching institutions and community colleges, and how the missions have changed over the years. He discussed the significant changes for UVU and DSC in transitioning from technical colleges to universities. He mentioned that the data that was distributed on Wednesday replaces the table found on Page 56 and contains more information. Mr. Pratt reported that Page 62 is a graph showing enrollment for over a decade. Mr. Pratt indicated that the 2020 goal of having 66 percent of Utahns with post-secondary education calls for significant increases to the higher education budget.

19. Adjournment.

MOTION: Rep Brown moved to adjourn. The motion passed unanimously. House Vice-Chair Cox adjourned the meeting at 9:50 a.m.

Minutes were reported by Lorna Wells, Secretary.

Sen. Stephen H. Urquhart, Senate Chair

Rep. Keith Grover, House Chair